Before the Federal Communications Commission

In the Matter of)	
Open Internet Remand)	GN Docket 14-28
)	
Framework for Broadband)	
Internet Service)	
)	GN Docket 10-127
)	
)	

Comments of OpenCurriculum

June 25, 2014

Varun Arora CEO OPENCURRICULUM 255 Easy Street, Unit 1 Mountain View, CA 94043 varun@opencurriculum.org

I. What We Do: Our Business, Our Innovation, and Our Impact

OpenCurriculum is a nonprofit education technology startup which allows K-12 teachers around the country to create and circulate the best teaching materials amongst themselves for improving the learning of our children, rather than simply relying on extremely expensive textbooks sold by education incumbents. It's our mission to bring openness and innovation to K-12 education, starting with the United States, and expanding to the rest of the world. We were founded in 2012 in Pittsburgh, PA, to help educators make more sense of vast amounts of curriculum. Our work is distributed amongst volunteers around the world. We are funded by Y Combinator (the country's top startup accelerator) and Points of Light Foundation (the world's largest service organization). We are also supported by the International Telecommunications Union (ITU), the primary information-technology body of the United Nations. We have repeatedly received recognition in international press channels about the innovative nature of our work.

Educational publishing is a \$91 billion industry around the world, with an increasing share of it moving from print available in brick-and-mortar stores to digital content. Massive textbook retailers like Borders have gone out of business and are shutting operations, while entertainment, such as Disney and Sesame Street, is now playing a bigger and bigger role in what goes into schools in the US and around the world. Thus, the rules of who dominates and will dominate the socially fundamental industry of learning will increasingly be biased towards and dominated by those who can provide richer digital content experiences, and not the incumbents who got our hearts pumping through text and printed graphics as we grew up.

OpenCurriculum's key opportunity lies in the very dynamic, changing nature of the industry in the next decade. We hope to capture about 20% of all teacher publishing materials in the next decade by becoming the primary publishing channel for all the influx of digital-first and

print-to-digital content. Our low fee on all content sold through us—20%, which is almost absurdly low in our market—is meant to protect the nonprofit dream that we have invested in, in the past two years. But we might have made some very big assumptions about the nature of the medium our service is going to run on, and are hopeful we can protect our dream and improve access to low-cost, high-quality educational materials for all teachers and students. The FCC's net-discrimination proposal threatens that dream.

II. We Could Have Never Founded this Company Under the FCC's Proposal

I am the sole founder of the company, and I come from a developing country called Oman in the Middle East. Much like many other countries in the Arab region, it is 10 years behind the current technology curve in the US. I started my first Internet company when I was 12 on dial-up Internet. So if anyone knows the value of the mere idea of high-speed, affordable Internet, it's me. I was just absolutely amazed at a very young age at the powerful democratic nature of the medium called the Internet—without all of which I wouldn't be half as excited to innovate on this medium.

When I started the company two years ago, I had less than \$500 in my bank account—and did not know if I could afford my rent in a shared sublet in the coming month, let alone the cost of any computing infrastructure. But I was in luck—the Internet is such a powerfully democratizing force that my lack of any money did not stop me from building a company that has now had an international impact. Here is the best way to explain it: the operational cost of the entire company's technologies for the first 6 months of its existence was less than \$20. To my good fortune, I did not have to do a thing to ensure customers used my product over any competitive ones apart from winning in a meritocratic game by building a more and more superior product—beyond hard work and creativity, doing so did not cost me a thing.

Would I have been able to afford to pay Verizon, Comcast, or any other ISP for fast lanes to reach the thousands of customers back then? Absolutely not. There are and were far

larger media houses in education or education companies with media presences who could have crushed our increasing popularity any day given a preference or advantage on the only medium for us to reach and serve our customers—the Internet.

III. The FCC's Proposal Threatens Our Company's Future

The FCC proposal has put into the question the very foundation of our company and threatened the mission of our organization. In addition, it puts another big question mark on the distributed virtual operations of our organization. Let me explain exactly how.

First, in terms of time and money, we will be absolutely unable to pay any fee associated with being on the premium tier of the cable and phone company plans. But this would be the least of the problems our largest competitors face, since they have multi-million dollar budgets. We exist because we can provide the market with a fundamentally and disruptively better service at a fraction of the cost. Even if we find ways to pay for premium tiers with different cable and phone companies, this is going to significantly eat into our capital—affecting the way we grow and our ability to allow more teachers in the United States and around the world to get access to better quality teaching materials for the future generations. This is extremely important because a significant aspect of our plan as a company from now on revolves around more real-time interactions between expert teachers and novice teachers—a product area where any technical discrimination can really change the impressions of sensitive customers.

Second, media companies with large programming efforts will likely pay for technical discrimination to compete with our small-budgeted content efforts, as that is easier than competing on the merits and our low-cost business model completely disrupts their model. It's only a matter of time before the content houses of these media companies play educational videos at blazing speeds in every high school under oligopolistic market conditions.

IV. Our Concerns Are Real and the "Commercial Reasonableness" Standard Will Not Help Us At All

I am extremely uneasy at this stage—not just about the possibility of trying to find creative ways to allocate our donation revenues towards paying cable and phone companies for premiumtiered services, but also about having the right to sue Verizon and AT&T under super vague standards that allow them to discriminate. It's just a battle small startups like us struggling to keep up with the pace of our growth will lose.

Negotiating with ISPs is so completely out of question. We neither have a lawyer on staff nor do we contract any legal help—we do everything in-house because we are unable to afford contracted legal help. We want to spend our time and resources transforming education, changing the lives of teachers and students, with the awareness that such education will have a lasting impact on today's young people throughout their entire lives and benefit society in general. Asking us to negotiate for "commercially reasonable" deals in light of our larger competitors being willing to pay a premium to keep us out of the market is rigging the market so we (and other entrants) lose. "Comforting" us with the right to hire lawyers and expert witnesses, or to wait years for an FCC Ombudsman, provides us no comfort.

The FCC should instead reclassify access to the Internet as a common carrier service and forbid unreasonable technical discrimination, define pay-for-play deals as inherently unjust and unreasonable, define access fees as inherently unreasonable charges, and apply these rules to both mobile and fixed platforms.

We encourage the FCC to stand not with the largest, oldest companies but to stand with the little guy you are supposed to protect—the teachers, the students, their parents, the nonprofits, the entrepreneurs, and all users of the network including the kids who don't even know if they can afford to pay their rent next month but can still start a company to make learning materials available around the world.

Respectfully submitted,

/s/ Varun Arora

Varun Arora CEO, OpenCurriculum